



## ***ILIM - The week that was – WEEK 21*** (ending 22/05/2015)

**" You may be disappointed if you fail, but you are doomed if you don't try. " – Beverly Sills**

**Irish unemployment rate less than 10% for first time since 2009** – The Central Statistics Office (CSO) reported that the unemployment rate is now 9.9%. The last time it was below 10% was in January 2009. Unemployment reduced by 45,300 over the past year and long-term unemployment from 7.3% to 5.9%.

**Fitch downgrades ratings for more than 20 European banks** – Five Spanish, four Italian, four Portuguese, four Irish and four Austrian banks are among the lenders whose debt ratings were cut, along with Germany's two biggest lenders and one U.K. bank. Fitch said their governments are less likely to provide aid in a crisis.

**Still no breakthrough in Greek talks** – On the sidelines of the European Union summit in Latvia, Greek Prime Minister Alexis Tsipras was quoted as referring to a solution "soon," whereas Angela Merkel said there's "a whole lot to do." Talks broke up in the early hours of Friday with an agreement only to keep talking.

**Fed minutes raise concerns about fragility of US recovery** – Minutes released of the April policy meeting of the Federal Reserve indicate worries about the US recovery. This is a signal that the expected first rise in the US federal funds rate in June from the near-zero level interest rate, will not happen and the date will be pushed out.

**U.K. inflation negative for first time since 1960** – U.K. consumer prices fell 0.1% in April compared with the same month last year. Bank of England Governor Mark Carney said the dip was likely to be brief, keen to stress that the decline was caused by last year's big one-off fall in energy prices, not weak domestic demand.

**Chinese stock market hits seven year high** – Chinese stocks reached a 7-year high despite a contraction in Chinese factory activity. Expectations that the government may launch further stimulus measures to support its economy continued to shore up the stock market, following the third rate cut in six months the previous week.

**The Story of the week:** In what is expected to be the biggest consumer-product recall in U.S. history, the U.S. auto-safety regulator has ordered the recall of nearly 34 million vehicles equipped with defective air bags made by auto-supply giant Takata. The fault causes air bags to burn hotter than they are supposed to when activated, blasting metal shards toward drivers and passengers, blamed for six deaths and over 100 injuries.

### **DISCLOSURE:-**

Irish Life Investment Managers Limited is regulated by the Central Bank of Ireland. While Irish Life Investment Managers uses reasonable efforts to ensure that the information contained in this document is current, accurate and complete at the date of publication, no representations or warranties are made (express or implied) as to the reliability, accuracy or completeness of such information. Irish Life Investment Managers therefore cannot be held liable for any loss arising directly or indirectly from the use of, or any action taken in reliance on, any information contained in this document. This material is for information only and does not constitute an offer or recommendation to buy or sell any investment, or subscribe to any investment management or advisory service. The performance shown represents past performance and does not guarantee future results. Past performance is not indicative of future results.



## Index Performances and Market Data

<b>Equity Markets (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
ISEQ	-3.0	0.6	14.7	35.8	16.8	22.2
FTSE 100	9.0	-5.6	6.0	18.7	0.7	9.0
Euro Stoxx 50	-0.1	-17.7	13.4	21.5	4.0	18.8
S&P 500	12.8	0.0	12.4	32.4	13.7	4.1
Nasdaq	16.9	-1.8	14.1	36.9	14.8	7.5
Nikkei	-3.0	-17.3	16.24	59.4	7.1	16.1
MSCI Emerging Markets	16.4	-20.4	13.8	-2.3	5.6	9.5
MSCI World	17.2	-7.62	12.1	26.3	10.4	7.1
<b>Sovereign 10yr Bond Yields (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
US	3.3	1.9	1.7	3.0	2.2	2.2
German	3.0	1.8	1.4	1.9	0.5	0.6
UK	3.4	2.0	1.9	3.0	1.9	1.9
Japan	1.1	1.0	0.7	0.7	0.3	0.4
Ireland	9.1	8.4	4.5	3.4	1.3	1.3
Italy	4.8	7.1	4.6	4.1	2.1	1.8
Greece	12.5	31.7	12.7	8.2	9.6	11.1
Portugal	6.6	13.4	6.9	6.1	2.7	2.4
Spain	5.5	5.1	5.4	4.1	1.6	1.8
<b>Central Bank Rates (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
ECB	1	1	0.75	0.25	0.05	0.05
Bank of England	0.5	0.5	0.5	0.25	0.50	0.50
US Federal Reserve	0.25	0.25	0.25	0.25	0.25	0.25
<b>Foreign Exchange Rates</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
Euro/Dollar (€/\$)	1.34	1.30	1.31	1.37	1.21	1.10
Euro/Sterling (€/£)	0.86	0.83	0.81	0.83	0.78	0.71
Sterling/Dollar (£/\$)	1.56	1.55	1.61	1.65	1.56	1.55
<b>IPD All Property Return (%)</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 YTD</b>
Ireland	-2.4	-2.4	3.1	12.7	40.1	TBC
UK	14.5	8.1	2.7	10.7	17.8	TBC
US	14.8	14.5	5.3	11.4	11.2	TBC

\*Past performance is not a reliable guide to future performance